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FISCAL IMPACT STATEMENT

LS 6875

BILL NUMBER: HB 1210

NOTE PREPARED: Apr 19, 2011

BILL AMENDED: Apr 18, 2011

SUBJECT: Abortion Matters.

FIRST AUTHOR: Rep. Turner

FIRST SPONSOR: Sen. Miller

BILL STATUS: 2nd Reading - 2nd House

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill prohibits state agencies from entering contracts with or making grants to any entity that performs abortions or maintains or operates a facility where abortions are performed. The bill also cancels state funding for any current contracts with or grants to any entity that performs abortions or maintains or operates a facility where abortions are performed.

The bill states public policy findings concerning a fetus feeling pain and a compelling state interest in protecting the fetus.

The bill sets requirements for performing an abortion after the first trimester but before the earlier of viability of the fetus or 20 weeks of postfertilization age of the fetus (current law requirements are based on viability of the fetus). It requires that a physician determine the postfertilization age of a fetus before performing an abortion, and allows for the discipline of a physician who fails to do this in certain circumstances.

The bill requires a physician who performs an abortion to: (1) have admitting privileges at a hospital in the county or in a contiguous county to the county where the abortion is performed; or (2) enter into an agreement with a physician who has admitting privileges in the county or contiguous county; and notify the patient of the hospital location where the patient can receive follow-up care by the physician.

The bill adds information that a pregnant woman must be informed of orally and in writing (current law requires that the information be given only orally) before an abortion may be performed concerning the physician, risks involved, information concerning the fetus, available assistance, and existing law. It also requires a pregnant woman seeking an abortion to view fetal ultrasound imaging unless the pregnant woman states in writing that the pregnant woman does not want to view the fetal ultrasound imaging.

The bill requires the Indiana State Department of Health (ISDH) to post Internet website links on the ISDH web site to materials setting forth certain information concerning a fetus and abortion.

The bill also prohibits qualified health plans under the federal health care reform law from providing coverage for abortions except for in certain circumstances.

Effective Date: (Amended) Upon passage; July 1, 2011.

Explanation of State Expenditures: *Abortion Notifications:* The ISDH has reported that providing the required Internet links to specified information may be accomplished within the level of resources currently available to the agency.

(Revised) *Abortion Funding:* The Family and Social Services Administration (FSSA) reports that because the bill does not exempt Medicaid provider agreements from the requirements of the bill, the state potentially could lose \$3.9 M in federal match funds for family planning services provided under Medicaid.

The FSSA also reports that federal law requires state Medicaid plans provide any eligible individual medical assistance and that they can obtain such assistance from any institution, agency, community pharmacy, or person, qualified to perform the service(s) required. This also includes an organization which provides such services, or arranges for their availability, on a prepayment basis. Federal law permits states to define a qualified provider, but requires that this definition is related to a provider's ability to perform a service and not what services are provided.

It is uncertain how this bill will interact with federal regulations concerning the Medicaid program. Assuming the Office of Medicaid Policy and Planning (OMPP) cannot implement the provisions of the bill (due to federal supremacy), there would be no impact on state expenditures for Medicaid and service contracts.

(Revised) *Additional Information:*

The bill would impact a current Planned Parenthood contract with Madison State Hospital (MSH) and Planned Parenthood grants and contracts made by FSSA for the Social Services Block Grant (SSBG) and ISDH. It may also prohibit Planned Parenthood from participating as a Medicaid provider.

The bill would require the Director of the State Budget Agency to notify Planned Parenthood of Indiana that funds are not appropriated or otherwise available to support the continuation or performance of the contract with Madison State Hospital. The MSH contract expires June 30, 2011, and is for \$1,200 annually. The bill would prohibit any further contracts or grants with Planned Parenthood.

The Medicaid provider agreement is a contract. This bill could potentially impact Planned Parenthood's ability to bill for Medicaid services. OMPP reports that in FY 2010, Planned Parenthood clinics in Indiana were paid \$195,915 in Medicaid fee-for-service claims, and \$1,167,748 in claims were paid by the managed care organizations.

Medicaid is jointly funded by the state and federal governments. The effective state share of program expenditures is approximately 34% for most services. Medicaid medical services are matched by the effective federal match rate (FMAP) in Indiana at approximately 66%. Certain family planning services and supplies are matched with 90% federal funding. Administrative expenditures with certain exceptions are matched at

the federal rate of 50%. Federal ARRA enhanced Medicaid stimulus funding will be available to the state until June 30, 2011.

Regarding abortion notifications, the bill requires specified information developed by the ISDH to be provided in hard copy to a pregnant woman and Internet links to the specified information to be available on the ISDH web site. The information is no longer required to be developed by ISDH; rather, the ISDH is to provide Internet links. The information to have Internet links posted includes: scientific information regarding the development of a fetus, including color pictures of every two weeks of gestational age; medically accurate information regarding the medical risks associated with abortion and childbirth; information regarding assistance for pregnancy and childbirth; information regarding a biological father's obligation to pay child support; and information regarding public and private agencies that provide assistance to women throughout pregnancy, childbirth, and the child's dependency. The web site is also required to contain information regarding telephone 211 dialing for accessing human services and the types of services available through the 211 service.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: ISDH; State Budget Agency; FSSA; Madison State Hospital.

Local Agencies Affected:

Information Sources: Texas Department of State Health Services and Texas Women's Right to Know web page at: <http://www.dshs.state.tx.us/wrtk/default.shtm>; and Georgia Women's Right to Know web page at: <http://health.state.ga.us/wrtk/> ; OMPP, Indiana Department of Administration procurement active contract search.

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